

Heather Honkomp  
Single Family Housing Specialist  
USDA/Rural Development  
873 Federal Building, 210 Walnut Street  
Des Moines, Iowa 50309

SUBJECT: Lender Participation Request - Rural Development Guaranteed  
Rural Housing Loan Program

Dear Heather,

\_\_\_\_\_(Lender's name)\_\_\_\_\_ would like to apply to Rural Development to become an eligible lender to participate in the Rural Development Guaranteed Rural Housing Loan Program. We plan to participate in the program as (check all that apply):

\_\_\_\_\_ an originator \_\_\_\_\_ a holder \_\_\_\_\_ a servicer

In accordance with RD Instruction 1980-D Section 1980.309, we have enclosed the following documentation:

1. Qualification:

\_\_\_\_\_(Lender's name)\_\_\_\_\_ is eligible to participate because we:

- \_\_\_\_\_ are a HUD-approved lender (**enclose** copy of approval letter), or;
- \_\_\_\_\_ are a VA-approved lender (**enclose** copy of approval letter), or;
- \_\_\_\_\_ are a FNMA-approved lender (**enclose** copy of approval letter), or;
- \_\_\_\_\_ are a Freddie Mac-approved lender; (**enclose** copy of approval letter), or;
- \_\_\_\_\_ participate in other Rural Development/FSA (FmHA) guaranteed programs (**enclose** letter of good standing from local FSA office)

2. Lender approval:

- a. (Lender's Name)\_\_\_\_\_ Tax ID number: \_\_\_\_\_  
Lender's phone number \_\_\_\_\_, Fax number \_\_\_\_\_,
- b. E-MAIL ADDRESS of primary contact person \_\_\_\_\_  
(please provide this if possible, as many GRH bulletins and newsletters are sent by e-mail)
- c. Name of lender's contact person for this program: \_\_\_\_\_
- d. The **enclosed** Statement of Condition lists the names, titles and responsibilities of  
(Lender's name)\_\_\_\_\_ principal officers.
- e. An outline of \_\_\_\_\_(Lender's name)\_\_\_\_\_ internal loan criteria for issues of credit history and repayment ability is **enclosed**, and a quality control plan for monitoring production and servicing activities is **enclosed**.

\_\_\_\_\_(Lender's name)\_\_\_\_\_ has reviewed and agrees to comply with Rural Development Instruction 1980.309(b)(2)(i) - (ix).

We have **enclosed** a completed "Attachment 2". We have also **enclosed** an executed Form AD-1047 and Form FmHA 1980-16 "Agreement for Participation in Single Family Housing Guaranteed/Insured Loan Programs of the United States Government" for Rural Development signature upon approval.

Sincerely,

(Enclosures)

(2) The Lender must agree to:

- (i) Obtain and keep itself informed of all program regulations and guidelines including all amendments and revisions of program requirements and policies.
- (ii) Process and service RHS guaranteed loans in accordance with Agency regulations.
- (iii) Permit RHS employees or its designated representatives to examine or audit all records and accounts related to any RHS loan guarantee.
- (iv) Be responsible for the servicing of the loan, or if the loan is to be sold, sell only to an entity which meets the provisions of paragraph (a) of this section.
- (v) Use forms which have been approved by FHA, FannieMae, FreddieMac, or, for FCS Lenders, use the appropriate FCS forms.
- (vi) Maintain its approval if qualification as an RHS Lender was based on approval by HUD, VA, FannieMae, or FreddieMac including maintaining the minimum allowable net capital, acceptable levels of liquidity, and any required fidelity bonding and/or mortgage servicing errors and omissions policies required by HUD, VA, FannieMae, or FreddieMac, as appropriate.
- (vii) Operate its facilities in a prudent and business-like manner.
- (viii) Assure that its staff is well trained and experienced in loan origination and/or loan servicing functions, as necessary, to assure the capability of performing all of the necessary origination and servicing functions.
- (ix) Notify RHS in writing if the Lender:
  - (A) Ceases to meet any financial requirements of the entity under which the Lender qualified for RHS eligibility;
  - (B) Becomes insolvent;
  - (C) Has filed for bankruptcy protection, has been forced into involuntary bankruptcy, or has requested an assignment for the benefit of creditors;
  - (D) Has taken any action to cease operations or discontinue servicing or liquidating any or all of its portfolio of RHS guaranteed loans;
  - (E) Has any change in the Lender name, location, address, or corporate structure;
  - (F) Has become delinquent on any Federal debt or has been debarred, suspended, or sanctioned by any Federal agency or in accordance with any applicable State licensing or certification requirements.

**Guaranteed Rural Housing  
Iowa Lender Approval Information**

Date: \_\_\_\_\_

Lender Name: \_\_\_\_\_

Lender Federal Tax Identification Number: \_\_\_\_\_

Function:    ☐ Holder                      ☐ Originator                      ☐ Servicer

Lender Addresses:

Underwriting: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

Servicer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_  
Fax: \_\_\_\_\_

Name of Holder: \_\_\_\_\_  
Holder Fed Tax ID Number: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_